

**INSURANCE/COUNTY CODE**

This budget has increased from \$168,300 last year to \$177,820 this year, representing a 5.66% overall increase. Line item changes from last year include:

- 1) LINE 2600 - UNEMPLOYMENT INSURANCE - an increase of \$4,320 (72%) based upon rising rates and increased claims.
- 2) LINE 2700 - WORKERS' COMPENSATION - a decrease of \$12,000 (16.67%) based upon the latest proposal (we switched carriers in FY 2010).
- 3) LINE 2800 - OPEB LIABILITY - a new line established in FY 2010 for the 10-year phase-in of funding for "Other Post-Employment Benefits" (OPEB) liability as approved by the Board in August 2008. As you recall, new Government Accounting Standards Board (GASB) Statement 45 requires all government entities that provide retiree medical benefits (in our case, the benefit of blended rates only) must comply with these accounting rules. An increase of \$16,000.
- 4) LINE 5304 - PROPERTY INSURANCE - increased \$5,000 (11.63%) based upon projected premium increases.
- 5) LINE 5305 - MOTOR VEHICLE INSURANCE - decreased \$2,000 (16%) based upon the FY 2011 cost projection.
- 6) LINE 5308 - LIABILITY INSURANCE - decreased \$1,800 based upon the FY 2011 cost projection.

Other lines are level-funded.

3/26/2010 SOUTHAMPTON COUNTY  
FUND #100 \* INSURANCE/CO CODE \*

- B U D G E T -

E X P E N S E

ACCOUNTING PERIOD 2010/02

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6L067H

		----- Prior Years -----			----- Current Year -----		--2010/2011 Budget Year--		
		Expenditure 2006/2007	Expenditure 2007/2008	Expenditure 2008/2009	Adopted Budget	Actual On 2010/02	Department Request	County Admin Recommends	Adopted Budget
012550	* INSURANCE/CO CODE *								
012550-2300	HOSPITAL PLAN	27,974	29,452	53,779		42,496			
012550-2600	UNEMPLOYMENT INSURANCE				6,000		10,320	10,320	
012550-2700	WORKER'S COMPENSATION	84			72,000		60,000	60,000	
012550-2800	OPER LIABILITY			16,000	16,000		32,000	32,000	
012550-3170	COUNTY CODE UPDATE	898	2,799	3,883	2,000	1,300	2,000	2,000	
012550-5304	PROPERTY INSURANCE	27,853	43,921	44,454	43,000	47,856	48,000	48,000	
012550-5305	MOTOR VEHICLE INSURANCE	9,748	9,529	12,219	12,500	9,861	10,500	10,500	
012550-5308	LIABILITY INSURANCE	16,373	17,054	15,963	16,000	14,621	15,000	15,000	
	--TOTAL DEPARTMENT--	82,930	102,755	146,298	168,300	116,134	177,820	177,820	
TOTAL - * INSURANCE/CO CODE *		82,930	102,755	146,298	168,300	116,134	177,820	177,820	
TOTAL FOR FUND		82,930	102,755	146,298	168,300	116,134	177,820	177,820	
FINAL TOTAL		82,930	102,755	146,298	168,300	116,134	177,820	177,820	



# COMMONWEALTH OF VIRGINIA

VIRGINIA EMPLOYMENT COMMISSION

703 EAST MAIN STREET

P.O. BOX 1358

RICHMOND, VIRGINIA 23218

COUNTY OF SOUTHAMPTON  
P. O. BOX 400  
COURTLAND VA 23837

DECEMBER 1, 2008

ACCOUNT # 0001889575

FED ID # 54-6001618

## THIS IS NOT A BILL TAX RATE NOTICE FOR CALENDAR YEAR 2009

FISCAL YRS JUL 1 JUN 30	UNEMPLOYMENT BENEFITS PAID	TAXABLE PAYROLL	FUND BALANCE FACTOR 60%	
2004-2005	8,376.00	1,207,924.54	Included in your tax rate:  Base Tax Rate .42%  Pool Cost Charge .08%  Fund Building Charge .00%	
2005-2006	1,304.00	1,194,790.73		
2006-2007	4,099.28	1,483,998.17		
2007-2008	4,161.00	1,525,406.31		
	17,940.28	5,412,119.75	BENEFIT RATIO	TAX RATE
			0.3	.50%

SEE REVERSE SIDE FOR EXPLANATION OF THIS NOTICE  
Taxable wage base is \$8000.00.

Multiply by .0050  
on your Quarterly Tax Report  
Form VEC-FC-20

### EMPLOYER'S STATEMENT OF BENEFIT CHARGES & TAXES PAID

ACCOUNT NUMBER	TAXES PAID	BENEFITS PAID	FISCAL YEAR
0001889575	6,073.57	4,161.00	2007-2008

INQUIRIES REGARDING THIS NOTICE MAY BE MADE BY CALLING OR WRITING THE APPROPRIATE OFFICE LISTED BELOW.

Regarding Tax Rate Questions: (804) 786-3066. For written inquiries, use the address shown in the letterhead, ATTN: Employer Accounts Unit.

Regarding Delinquent Tax Rate: (804) 786-3061. For written inquiries, use the address shown in the letterhead, ATTN: Auditing Unit.

Regarding Benefits Paid: (804) 786-6921. For written inquiries, use address P.O. Box 2249, Richmond, Virginia 23218-2249  
ATTN: Benefit Payment/Charge Unit.

2-114

# Workers' Compensation Proposal 10-11

## Southampton County

Classification	Class Code	Projected Payrolls	Rate	Premium
Waterworks and Drivers	7520	\$342,369	\$2.98	\$10,203
Sewage Disposal & Drivers	7580	\$361,453	\$2.11	\$7,627
Police Officers & Drivers	7720	\$2,717,784	\$1.42	\$38,593
Clerical	8810	\$1,650,168	\$0.12	\$1,980
Attorney - All Employees	8820	\$414,442	\$0.09	\$373
Building Operated by Owner	9015	\$124,380	\$1.95	\$2,425
Garbage Collection & Drivers	9403	\$410,784	\$5.27	\$21,648
Municipal Employees NOC	9410	\$234,346	\$1.53	\$3,585
	<b>Sum:</b>	<b>\$6,255,726</b>		<b>\$86,434</b>
			<b>Experience Mod.</b>	<b>0.95</b>
			<b>Standard Premium</b>	<b>\$82,113</b>
			<b>Less Premium Discount</b>	<b>(\$10,141)</b>
			<b>Scheduled Debit/Credit</b>	<b>\$0</b>
			<b>Total Premium</b>	<b>\$71,972</b>

Rates are tentative until filed and approved by the State

Mr. Boomershine introduced himself to the Board. He distributed paper copies of his presentation. He informed that GASB was proposing a new accounting standard that all government entities providing medical benefits to retirees must comply with, effective June 30, 2009. The current accounting standards were "pay-as-you-go", which ignored the cost while the employee rendered service, and recognized the cost only after an employee retired. GASB argued that this delayed recognition shifted the "costs" from one taxpaying generation to another. The new standard would change from "pay-as-you-go" to accrual accounting. He noted that while this was a new standard for government entities, it had been a standard for the private sector for a number of years. With the new standard, you would book actuarial cost as an expense on financial statements. Liability would be accrued on financial statements – actual contributions vs. expense (not actuarial accrued liability). There were several key financial statement components associated with the new standard:

- Annual Required Contribution (annual expense)
- Annual OPEB Cost (annual expense)
- Net OPEB Obligation (balance sheet liability)

Mr. Boomershine explained that Southampton County's cost associated with funding this new standard was estimated at \$160,000 to be phased in \$16,000/year for the next 10 years. The funding would come from the general fund and be set up in a transfer to a trust fund.

Mrs. Julia Williams, Southampton County Finance Director, concurred that the accounting change would be reflected on the financial statements. Southampton County was prepared to phase in the required funding. She was working with Mr. Boomershine to make the transition.

Mr. Boomershine clarified for the Board that the true cost of medical benefits was higher for retirees than active employees. However, the lower premiums paid by retirees were not a reflection of the true higher cost because retirees were blended with active employees in order to keep premiums low. This was considered a benefit or perk for the many years of service a retiree had worked for the government entity.

Supervisor Brown commented that this was really an unfunded mandate.

Mr. Boomershine clarified for Supervisor West that the retiree medical coverage they were speaking of was coverage for retirees under the age of 65 before the retiree was eligible for Medicare.

Mr. Boomershine stated that the County must approve the change no later than June 30, 2009.

The Board did not see any need to wait on approving it.



**Vice-Chairman Young moved, seconded by Supervisor West, to authorize the 10-year phase-in of funding for OPEB liability. All were in favor.**

Moving forward, Mr. Johnson announced that Mr. Joe Hines of the Timmons Group was here tonight to provide a progress report on master-planning activities associated with development of the Turner Tract Industrial Park. Completion of the Phase 2 cultural resources survey was anticipated later this month. The most substantial finding thus far had been a small unmarked cemetery located approximately 400' south of the existing residence on the site – with minor adjustments to the access road, we would be able to avoid disturbing it. We would, however, want to construct a fence around it to protect it in the future. With approval last month of the Comprehensive Agreement for Courtland wastewater improvements, we would need to discuss the proposed route for the sewer line that would serve the Park. In addition, rather than investing in additional water wells, the possibility of extending water service from the Agribusiness Park to the Turner Tract was being evaluated. If we could negotiate an increase in our permitted withdrawal from DEQ, and resolve the fluoride issue, this would provide a long-term source of water for the entire Courtland Planning area, and eliminate our future reliance on the City of Franklin and/or individual wells. Ultimately, this would depend on our ability to work it into the overall project budget, which was limited by the amount of proceeds from bonds issued in 2006. He noted that he hoped the Board was pleased with the concepts presented. We had worked very closely with the